

To the Members of the California State Assembly:

I am returning Assembly Bill 368 without my signature.

This bill would delay the effective date of a quitclaim deed filed to terminate a mineral extraction lease with the State Lands Commission (Commission) until such time that the lessee restores the lease premises and the Commission formally accepts the quitclaim. The effect of this bill would be that mining lessees would have to continue to pay rent and maintain insurance and bonds before and during the reclamation process.

It is unclear why this bill is needed, since I have not seen, or have been provided, any evidence that would indicate widespread abuse of mineral extraction leases held under existing law by the oil industry, the gas industry, or the hard rock mining industry. Absent such evidence, this bill appears to be a “solution” in search of a “problem.”

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger